

EXHIBIT 2

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UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 14-11108-shl

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In the Matter of:

GENCO SHIPPING & TRADING LIMITED, et al.,

Debtors.

- - - - -x

United States Bankruptcy Court
One Bowling Green
New York, New York

June 3, 2014
2:45 PM

B E F O R E:
HON. SEAN H. LANE
U.S. BANKRUPTCY JUDGE

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2 Status Conference re: Discovery

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4 Hearing re: Rothschild Retention

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1 THE COURT: -- and the lenders. All right.

2 MR. BIERMAN: It is for the equity committee. Thank
3 you, Your Honor.

4 THE COURT: All right. Thank you.

5 So I'm just going to comment in no particular order,
6 actually just based on what I have in front of me in my various
7 notes. So just to make a few observations.

8 And the first of which is, I did read Judge Shannon's
9 comments in the In re: Dolan Company transcript that was
10 provided. I understand it is not precedential. I think it is
11 helpful in that it is his thoughts thinking out loud through
12 the issues. And I would agree with the equity committee that
13 he is taking the case as it is and just as I'm trying to do in
14 this case.

15 And I think that in thinking both about case
16 management, trial management, cost, expense, all the things
17 that are in Federal Rule 1 and 16 of the Federal Rules of Civil
18 Procedure, as well as just the facts of this case, I think his
19 comments and musings are instructive in this case because it is
20 factually very similar where you have an RSA party who is not
21 going to be presenting evidence on valuation at the trial.

22 The question is whether their internal communications
23 and views on values shared with nobody outside their group
24 would be relevant. And I think that in that case, the court
25 made a number of comments, is that he viewed it as generally

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1 not an appropriate area of inquiry, drew an analogy to a 363
2 sale in a buyer's view. I think he is very concerned, as am I,
3 about opening the floodgates to having many, many trials --
4 individual, separate trials about valuation where everybody's
5 individual views are expressed. And while I know that the
6 committee here has only asked for a few witnesses, I think the
7 principles are the same.

8 Once we open up the door to that, I would fully expect
9 that the other side would say, well, we have other -- people
10 have other views. And then we'll have to think about how to
11 cabin those folks off in terms of the level of their
12 consideration, the timing of their consideration, any biases
13 they might have, and there are thirty RSA parties.

14 I made the comment earlier, and I think it's true,
15 that most courts expect that something like valuation in this
16 context will be addressed by experts in the context of
17 different valuation methodologies, considering all the things
18 that they have in the record. And I think here, given the
19 production of documents, it's been much discussed, but I think
20 has now been concluded or is in the process of being concluded
21 to everyone's satisfaction.

22 That is all grist for the mill, for any expert to say,
23 well, I considered this and I considered that. And as part of
24 that, here, you will have any communications between the
25 noteholder group on the one hand, the lenders on the other

1 hand, and the debtors on the other hand in terms of expressions
2 about valuation, which I think is completely appropriate.

3 But in terms of having mini-trials, I agree with Judge
4 Shannon that I don't believe it's a discrete or narrowly
5 focused inquiry. It may start out as one, but I don't think it
6 would end up there.

7 I also think if we went down that road, we would end
8 up having arguments about confidentiality and sensitive
9 business information, because as anybody who has sat on this
10 bench for any length of time knows that how people value things
11 often is a proprietary consideration. And I think there's no
12 way we wouldn't end up there, or certainly is a very good
13 chance that we would.

14 I do think it all would be of limited relevance to the
15 inquiry. Again, I think Judge Shannon talks about the burden
16 resting with the debtor on the value of the company. I would
17 agree with that. And I think there's been a robust discovery
18 process that's ongoing as to the debtors and their views about
19 value.

20 Finally, I would echo Judge Shannon's views, at least
21 preliminarily, without ruling at this point, but he does make a
22 comment that this type of inquiry is not appropriate unless a
23 party becomes an active participant in presenting evidence and
24 testimony to the court regarding the value of the company. And
25 that's on page 21 and 22 of the transcript.